

AMENDED IN ASSEMBLY AUGUST 22, 2014

AMENDED IN ASSEMBLY JUNE 9, 2014

AMENDED IN SENATE APRIL 1, 2013

**SENATE BILL**

**No. 411**

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**Introduced by Senator Wolk**

February 20, 2013

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~~An act to amend Section 112895 of the Health and Safety Code, relating to food labeling. An act to add Chapter 2.5 (commencing with Section 1954.201) to Title 5 of Part 4 of Division 3 of the Civil Code, to add Section 17922.14 to the Health and Safety Code, and to add Section 517 to, and to add Article 5 (commencing with Section 537) to Chapter 8 of Division 1 of, the Water Code, relating to water.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 411, as amended, Wolk. ~~Food labeling: olive oil. Building standards: water meters: multiunit structures.~~

*(1) The Water Measurement Law requires every water purveyor to require, as a condition of new water service on and after January 1, 1992, the installation of a water meter to measure water service. That law also requires urban water suppliers to install water meters on specified service connections, and to charge water users based on the actual volume of deliveries as measured by those water meters in accordance with a certain timetable.*

*This bill would add to the Water Measurement Law the requirement that a water purveyor that provides water service to a newly constructed multiunit residential structure or newly constructed mixed-use residential and commercial structure that submits an application for a water connection after January 1, 2017, measure the quantity of water*

*supplied to each individual dwelling unit as a condition of new water service and permit the measurement to be by individual water meters or submeters, as defined. The bill would require the owner of the structure to ensure that a submeter installed for these purposes complies with laws and regulations governing the approval of submeter types or the installation, maintenance, reading, billing, and testing of submeters, including, but not limited to, the California Plumbing Code. The bill would exempt certain structures from these requirements. The bill would prohibit a water purveyor from imposing an additional capacity or connection fee or charge for a submeter that is installed by the owner, or his or her agent. The bill would provide that these provisions shall become operative on January 1, 2017.*

*(2) The California Building Standards Law provides for the adoption of building standards by state agencies by requiring all state agencies that adopt or propose adoption of any building standard to submit the building standard to the California Building Standards Commission for approval and adoption. Existing law creates the Building Standards Administration Special Revolving Fund and requires that funds deposited into the fund be expended, upon appropriation by the Legislature, to carry out specified provisions of law that relate to building standards, with emphasis placed on certain activities relating to green building standards.*

*This bill would permit the Department of Housing and Community Development to develop and propose for adoption by the commission building standards that require the installation of water submeters in multiunit residential buildings, as specified. This bill would provide that moneys in the fund are available to the department, upon appropriation, for administrative costs associated with the development of building standards that require the installation of water submeters in multiunit residential buildings.*

*(3) Existing law generally regulates the hiring of dwelling units and, among other things, imposes certain requirements on landlords and tenants. Among these requirements, existing law requires landlords to provide tenants with certain notices or disclosures pertaining to, among other things, pest control and gas meters.*

*This bill would, if the installation of a meter or submeter, was required by specified law, or a submeter is used to charge a tenant separately for water service, impose requirements on landlords relating to submetered water service to individual dwelling units. The bill would require a landlord to install and operate submeters in prescribed*

*dwelling units, as specified. The bill would require a landlord to make certain disclosures to the tenant prior to the execution of the rental agreement, if the landlord intends to charge a tenant separately from rent for water service in a property with submeters. The bill would specify that as part of the monthly bill for water service a landlord may only bill a tenant for volumetric water usage, as specified, a portion of any recurring fixed charge billed to the property by the water purveyor, as specified, a billing, administrative, or other fee, as prescribed, and a late charge. The bill would specify that payments are required to be due at the same point in each billing cycle, as prescribed, and that each bill must include and separately set forth certain information. The bill would prohibit a landlord from charging certain additional fees. The bill would require a landlord to maintain and make available in writing to a tenant, as specified, the date the submeter was last inspected, tested, and verified, the data used to calculate the tenant's bill, and the location of the submeter. The bill would require a landlord to investigate and, if warranted, rectify certain problems or a submeter reading that indicates constant or abnormal water usage. The bill would permit a landlord to enter a unit for specified purposes relating to a submeter or water fixture if certain requirements are met. The bill would permit a tenant to be charged late fees, as specified. The bill would provide that these provisions shall become operative on January 1, 2017.*

~~Existing law requires the State Department of Public Health to enforce various provisions of existing law regarding the manufacture, blending, production, and sale of olive oil. Existing law requires any olive oil produced, processed, sold, offered for sale, given away, or possessed in this state, that indicates on its label that it is from an area that is one of the approved American Viticultural Areas under federal law, to be made of oil 75% of which is derived solely from olives grown in that approved American Viticultural Area. Existing law makes the violation of these provisions a crime.~~

~~This bill would require that olive oil be made of oil at least 85% of which is derived solely from olives grown in the American Viticultural Area that is indicated on the olive oil label. By changing the definition of a crime, this bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~yes~~-no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Chapter 2.5 (commencing with Section 1954.201)  
2     is added to Title 5 of Part 4 of Division 3 of the Civil Code, to  
3     read:

4  
5                     CHAPTER 2.5. WATER SERVICE  
6

7     1954.201. It is the intent of the Legislature in enacting this  
8     chapter to do both of the following:

9     (a) To encourage the conservation of water in multifamily  
10    residential rental buildings through means either within the  
11    landlord's or the tenant's control.

12    (b) To ensure that the practices involving the submetering of  
13    dwelling units for water service are just and reasonable, and  
14    include appropriate safeguards for both tenants and landlords.

15    1954.202. As used in this chapter:

16    (a) "Billing agent" means a person or entity who contracts to  
17    provide submetering services to a landlord, including billing.

18    (b) "Landlord" means an owner of residential rental property.  
19    "Landlord" does not include a tenant who rents all or a portion  
20    of a dwelling unit to subtenants. "Landlord" does not include a  
21    common interest development, as defined in Section 4100 of the  
22    Civil Code.

23    (c) "Property" means real property containing two or more  
24    dwelling units that is served by a single meter.

25    (d) "Rental agreement" includes a fixed-term lease.

26    (e) "Renting" includes leasing, whether on a periodic or  
27    fixed-term basis.

28    (f) "Submeter" means a device that measures water consumption  
29    of an individual rental unit within a multiunit residential structure  
30    or mixed-use residential and commercial structure, and that is  
31    owned and operated by the owner of the structure or the owner's  
32    agent.

33    (g) "Water service" includes any charges, whether presented  
34    for payment on local purveyor bills, tax bills, or bills from other  
35    entities, related to water treatment, distribution, or usage,

1 including, but not limited to, water, sewer, stormwater, flood  
2 control, and water treatment charges.

3 (h) “Water purveyor” means a water purveyor as defined in  
4 Section 512 of the Water Code.

5 1954.203. (a) A landlord subject to this chapter shall install  
6 and operate submeters as follows:

7 (1) The submeter is inspected, tested, and verified for  
8 commercial purposes pursuant to law, including, but not limited  
9 to, Section 12500.5 of the Business and Professions Code.

10 (2) The installation conforms to all laws, including, but not  
11 limited to, regulations established pursuant to Section 12107 of  
12 the Business and Professions Code.

13 (3) The submeter for a dwelling unit measures only water that  
14 is supplied for the exclusive use of the particular dwelling unit  
15 and only to an area within the exclusive possession and control  
16 of the tenant of the dwelling unit. However, the installation need  
17 not comply with a requirement that an outside faucet be under the  
18 exclusive use of the tenant, if the tenant is notified upon  
19 commencement of the tenancy that water dispensed from the faucet  
20 shall be charged to the tenant. The landlord shall establish  
21 reasonable rules to prohibit the use of the faucet by any person  
22 other than the tenant.

23 (4) The submeter is capable of being accessed and read by the  
24 tenant of the dwelling unit, and read by the landlord without  
25 entering the dwelling unit. A submeter installed prior to January  
26 1, 2017, may be read by the landlord after entry into the unit, in  
27 accordance with this chapter and Section 1954.

28 (5) Each submeter is reinspected and recalibrated within the  
29 time limits specified in law or regulation.

30 (6) All plumbing fixtures and fittings within each dwelling unit  
31 conform to all laws regarding water conservation.

32 (b) This section does not require a water purveyor to assume  
33 responsibility for ensuring compliance with any law or regulation  
34 governing installation, certification, maintenance, and testing of  
35 submeters and associated onsite plumbing.

36 1954.204. Prior to executing a rental agreement, a landlord  
37 that intends to charge a tenant separately from rent for water  
38 service in a property with submeters shall clearly disclose the  
39 following information to the tenant, in writing, in at least 10-point  
40 type, which may be incorporated into the rental agreement:

- 1     (a) That the tenant will be billed for water service separately  
2     from the rent.
- 3     (b) An estimate of the monthly bill for water service, determined  
4     by either of the following:
- 5         (1) The average or median bill for water service for comparative  
6         units at the property over any three of the past six months.
- 7         (2) The amount of the bill based upon average indoor water use  
8         of a family of four of approximately 200 gallons per day, and  
9         including all other monthly charges that will be assessed. Estimates  
10        for other gallons per day may also be included. The estimate shall  
11        include a statement that the average family of four uses about 200  
12        gallons of water each day.
- 13     (c) The due dates and payment procedures for bills for water  
14     service.
- 15     (d) If a billing agent is used, the agent's name, address, email  
16     address, a toll-free telephone number or a local number for the  
17     tenant to call the agent, and the days and hours the agent is  
18     available by telephone at either number for the tenant to contact  
19     the agent regarding billing questions.
- 20     (e) That the monthly bill for water service may only include the  
21     following charges:
- 22         (1) Payment due for the amount of usage as measured by the  
23         submeter, charged at the exact same rate or rates for commodity  
24         usage as the water purveyor.
- 25         (2) Payment of a portion of the fixed fee charged by the water  
26         purveyor for water service divided equally among all the units in  
27         the property.
- 28         (3) A fee for the landlord's or billing agent's costs in accordance  
29         with paragraph (3) of subdivision (a) of Section 1954.205.
- 30         (4) A late fee, with the amounts and times assessed, in  
31         compliance with Section 1954.213.
- 32     (f) A statement that the tenant shall notify the landlord in writing  
33     of any leaks, drips, or other problems with the water system,  
34     including problems with water saving devices, and that the landlord  
35     is required to investigate, and if necessary, repair these problems.
- 36     (g) A statement that the landlord shall provide any of the  
37     following information if asked by the tenant:
- 38         (1) The location of the submeter.
- 39         (2) The calculations used to determine a monthly bill.

1     (3) *The date the submeter was last certified for use, and the*  
2 *date it is next scheduled for certification.*

3     (h) *A statement that if the tenant believes that the submeter*  
4 *reading is inaccurate or the submeter is malfunctioning, the tenant*  
5 *shall notify the landlord in writing, and may contact the local*  
6 *county sealer and request that the submeter be tested. Contact*  
7 *information for the county sealer shall be included in the disclosure*  
8 *to the tenant.*

9     (i) *A statement that this disclosure is only a general overview*  
10 *of the laws regarding submeters and that the laws can be found*  
11 *at Chapter 2.5 (commencing with Section 1954.201) of Title 5 of*  
12 *Part 4 of Division 3 of the Civil Code, available online or at most*  
13 *libraries.*

14     1954.205. (a) *As part of the regular bill for water service, the*  
15 *tenant shall only be charged for the following:*

16     (1) *Volumetric usage of water service pursuant to subdivision*  
17 *(b).*

18     (2) *Any recurring fixed charge for water service billed to the*  
19 *property by the water purveyor that, at the landlord's discretion,*  
20 *shall be calculated by either of the following:*

21     (A) *The proportion of the tenant's volumetric water use, as*  
22 *shown on the submeter, in relation to the water use of the entire*  
23 *property, as shown on the property's water meter.*

24     (B) *Dividing the total fixed charge equally among the total*  
25 *number of residential units and nonresidential units served by a*  
26 *single meter operated by a water purveyor.*

27     (3) *A billing, administrative, or other fee for the landlord's and*  
28 *billing agent's costs, not to exceed four dollars and seventy-five*  
29 *cents (\$4.75) as adjusted pursuant to this section or 25 percent of*  
30 *the amount billed under paragraph (1), whichever is less.*  
31 *Beginning January 1, 2018, the maximum fee authorized by this*  
32 *paragraph may be adjusted each calendar year by the landlord,*  
33 *no higher than a commensurate increase in the California Fiscal*  
34 *Year Average for the previous fiscal year, for All Urban*  
35 *Consumers, as determined by the Department of Finance.*

36     (4) *A late charge as assessed pursuant to Section 1954.213.*

37     (b) *The monthly water charges for water service may only*  
38 *include the following charges:*

39     (1) (A) *Except as provided in subparagraph (B), payment due*  
40 *for the amount of usage as measured by the submeter, charged at*

1 *the exact same rate or rates for commodity usage as the water*  
2 *purveyor.*

3 *(B) When a bill for water service or any of its components is*  
4 *presented to a property in a form that contains more than one rate*  
5 *and is based on usage by the property in its entirety without regard*  
6 *to the number of dwelling units, the volume of the initial block of*  
7 *usage shall be divided evenly among the number of dwelling units,*  
8 *and the rate applicable to the initial block of usage for the property*  
9 *shall be applied to the consumption recorded for each dwelling*  
10 *unit up to its apportioned share of the initial block of usage. If*  
11 *consumption of all dwelling units in the aggregate is less than the*  
12 *volume assigned to the initial rate block, the rate applicable to the*  
13 *initial block of usage shall be applied to the consumption recorded*  
14 *for each dwelling unit. If consumption of all dwelling units in the*  
15 *aggregate exceeds the volume assigned to the initial rate block,*  
16 *the preceding process shall be repeated in each successive block*  
17 *of usage and its associated rate.*

18 *(2) Payment of a portion of the fixed fee charged by the water*  
19 *purveyor for water service divided equally among all the units in*  
20 *the property.*

21 *(c) If the rate or rates established by the water purveyor change,*  
22 *the bill shall be prorated to reflect the time each rate was in effect.*  
23 *The landlord may assess charges for the entire billing period based*  
24 *on the lower rate.*

25 *(d) If a submeter reading for the beginning or end of a billing*  
26 *period is, in good faith, not available, the landlord shall bill the*  
27 *tenant according to Section 1954.212.*

28 *(e) This section does not prohibit a landlord or the landlord's*  
29 *billing agent from including any other lawful charges on the same*  
30 *bill.*

31 *1954.206. (a) Submeters shall be read within three days of*  
32 *the same point in each billing cycle.*

33 *(b) Payments shall be due at the same point in each billing*  
34 *cycle. A tenant may agree in writing to receive a bill electronically.*  
35 *A tenant may rescind authorization for electronic delivery of bills*  
36 *at any time. A tenant shall not be required to pay bills*  
37 *electronically.*

38 *(c) Bills shall include and separately set forth the following*  
39 *information:*



1     (1) *The submeter readings for the beginning date and ending*  
2 *date of the billing cycle, the dates read, and the indicated*  
3 *consumption as determined by subtracting the amount of the*  
4 *beginning date submeter reading from the amount of the ending*  
5 *date submeter reading. If the unit of measure is in something other*  
6 *than gallons, the indicated consumption shall be expressed in*  
7 *gallons.*

8     (2) *The amounts charged pursuant to paragraphs (1) to (4),*  
9 *inclusive, of subdivision (a) of Section 1954.205.*

10    (3) *The rate or rates charged for the volumetric charge per unit*  
11 *of measure.*

12    (4) *The amount, if any, still owing from the previous month's*  
13 *bill.*

14    (5) *The amount, if any, still owing from bills prior to the*  
15 *previous month's bill.*

16    (6) *The late fee, if any, imposed on amounts specified in*  
17 *paragraph (4) or (5).*

18    (7) *The total amount due for the billing period.*

19    (8) *The due date for the payment.*

20    (9) *If a late fee is charged by the landlord, a statement of when*  
21 *the late fees would apply.*

22    (10) *The procedure to contact the landlord or billing agent with*  
23 *questions or concerns regarding the bill. The landlord or billing*  
24 *agent shall respond in writing to any questions or disputes from*  
25 *the tenant. If a billing agent is used the name of the billing agent*  
26 *shall be disclosed and the billing agent's mailing address, email*  
27 *address, telephone number, which shall be either a toll free or a*  
28 *local number, and the billing agent's regular telephone hours.*

29    (11) *A statement that the landlord or billing agent is not the*  
30 *water purveyor that includes the name of the local water purveyor*  
31 *providing the water service to the master meter.*

32    (d) *Notwithstanding paragraphs (4) and (5) of subdivision (c),*  
33 *a separate bill may be provided for past due amounts if past due*  
34 *amounts are not included on the current month's bill.*

35    1954.207. (a) *At the beginning of a tenancy, a submeter shall*  
36 *be read after the tenant takes possession. If the regular reading*  
37 *occurs less than five days prior to the tenant taking possession,*  
38 *that reading may be substituted to establish usage. If the submeter*  
39 *is manually read, the first bill may be estimated based on the rate*  
40 *established in subdivision (b) of Section 1954.212.*

1     (b) For a water-service bill at the end of a tenancy, the submeter  
2     shall be read within five days, if possible. If the submeter cannot  
3     be read within five days at the end of a tenancy, the bill amount  
4     for the final month shall be based on the bill amount for the  
5     previous month.

6     (c) The landlord may deduct an unpaid water service bill from  
7     the security deposit upon the ending of a tenancy, if the last water  
8     service bill showing the amount due is attached to the  
9     documentation required by Section 1950.5.

10    1954.208. Unless it can be documented that a penalty is solely  
11    the result of tenant's failure to comply with state or local water  
12    use regulations or restrictions, or both, regarding wasting of water,  
13    a landlord shall not charge or recover, or allow to be charged or  
14    recovered, fees incurred by the landlord from the water purveyor,  
15    billing agent, or any other person for any deposit, disconnection,  
16    reconnection, late payment, or any other penalty.

17    1954.209. The landlord shall maintain and make available in  
18    writing, at the tenant's written or electronic request, within seven  
19    days after the request, the following:

20    (a) The date the submeter was last inspected, tested, and  
21    verified, and the date by which it must be reinspected, tested, and  
22    verified under law, if available. If this information is not available,  
23    the landlord shall disclose that the information is not available.

24    (b) The data used to calculate the tenant's bill, as follows:

25    (1) The most recent water bill for the property's master water  
26    meter showing the recurring fixed charge for water service billed  
27    to the property by the water purveyor, and the usage charges for  
28    the property, including any tiered amounts.

29    (2) Any other bills for water service, as defined in subdivision  
30    (g) of Section 1954.202, for the property.

31    (3) The number of units in the property.

32    (4) If not shown on the bill for the property, the per unit charges  
33    for volumetric water usage, including any tiered amounts.

34    (5) The formula used to calculate the charge for the tenant's  
35    volumetric water usage.

36    (c) The location of the submeter.

37    1954.210. (a) If a tenant notifies the landlord in writing, or  
38    the landlord otherwise becomes aware of, a leak, a drip, a running  
39    toilet, or other problem, or a submeter reading indicates constant

1 *or abnormal water usage, the landlord shall have the condition*  
2 *investigated, and if warranted, rectify the condition.*

3 *(b) A tenant shall not remove any water fixtures or water*  
4 *conservation devices that have been installed by the landlord.*

5 *(c) If the condition is rectified more than 14 days after the tenant*  
6 *notifies the landlord in writing pursuant to subdivision (a), the*  
7 *tenant's volumetric usage for any month or months that include*  
8 *the period between 14 days after the initial investigation and the*  
9 *repair shall be deemed to be fifteen dollars (\$15) or actual usage,*  
10 *whichever is less. At the landlord's option, if submeter readings*  
11 *are available to determine the usage at a point prior to*  
12 *investigation and a point following repair, usage shall be deemed*  
13 *to be fifty cents (\$0.50) per day for those days between the two*  
14 *submeter readings or actual usage, whichever is less.*

15 *(d) If the condition remains unrectified for six months after*  
16 *investigation, no further volumetric usage charges may be imposed*  
17 *until the condition is repaired.*

18 *1954.211. In addition to the grounds for entry specified in*  
19 *subdivision (a) of Section 1954, the landlord may enter a unit as*  
20 *follows:*

21 *(a) For the purpose of installing, repairing, testing, and*  
22 *maintaining a submeter or for the purpose of repairing or testing*  
23 *any water fixture suspected by the landlord or reported by the*  
24 *tenant to be in need of repair, if the requirements of Section 1954*  
25 *are met.*

26 *(b) To read a submeter, if the requirements of this chapter and*  
27 *Section 1954 are met. Notwithstanding paragraph (3) of*  
28 *subdivision (d) of Section 1954, notice shall be given only in*  
29 *writing.*

30 *1954.212. (a) If a monthly submeter reading necessary to*  
31 *measure volumetric usage is unavailable, the tenant may be*  
32 *charged 75 percent of the average amount billed for volumetric*  
33 *usage for the last three months for which complete billing*  
34 *information is available. The adjustment shall be disclosed on the*  
35 *bill.*

36 *(b) If no complete billing information is available for the prior*  
37 *three months, the volumetric usage charge shall be deemed to be*  
38 *fifty cents (\$0.50) per day that the data is not available.*

1 (c) *If monthly submeter readings remain unavailable for more*  
2 *than six months, the volumetric usage charge shall be deemed to*  
3 *be zero for any subsequent month that the data is not available.*

4 1954.213. (a) *A tenant may be charged a late fee for any water*  
5 *service bill not paid 25 days after mailing or other transmittal of*  
6 *the bill. If the 25th day falls on a Saturday, Sunday, or holiday,*  
7 *the late fee shall not be imposed until the day after the first business*  
8 *day following the 25th day.*

9 (b) *A late fee of up to seven dollars (\$7) may be imposed if any*  
10 *amount of a bill remains unpaid after the time described in*  
11 *subdivision (a). A late fee of up to ten dollars (\$10) may be imposed*  
12 *in each subsequent bill if any amount remains unpaid. If any partial*  
13 *payments are made, they shall be credited against the bill that has*  
14 *been outstanding the longest.*

15 (c) *In addition to the purposes specified in subdivision (b) of*  
16 *Section 1950.5, the landlord may, if a water service bill remains*  
17 *unpaid after the time described in subdivision (a) expires, also*  
18 *claim the amount of the unpaid bill from the security deposit.*

19 (d) *If a water service bill remains unpaid for 30 days after the*  
20 *time described in subdivision (a) expires, the nonpayment shall*  
21 *constitute a curable material breach of the lease. The landlord*  
22 *shall have the right to terminate the tenancy in accordance with*  
23 *paragraph (3) of Section 1161 of the Code of Civil Procedure with*  
24 *the service of a three day notice to cure covenant or quit upon the*  
25 *tenant.*

26 (e) *Water service charges under this chapter shall not constitute*  
27 *rent.*

28 (f) *The water service to a dwelling unit shall not be shut off or*  
29 *otherwise interfered with by the landlord for any reason, including*  
30 *nonpayment of a bill.*

31 1954.214. *This chapter does not preclude or preempt an*  
32 *ordinance adopted prior to January 1, 2013, that regulates the*  
33 *approval of submeter types or the installation, maintenance,*  
34 *reading, billing, or testing of submeters and associated onsite*  
35 *plumbing.*

36 1954.215. *The rights or obligations established under this*  
37 *chapter shall not be waived. Any purported waiver is void.*

38 1954.216. (a) *This chapter applies to the following:*

39 (1) *All dwelling units offered for rent or rented in a building*  
40 *where submeters were required to be installed pursuant to Article*

1 5 (commencing with Section 537) of Chapter 8 of Division 1 of the  
2 Water Code or a building standard adopted in accordance with  
3 Section 17922.14 of the Health and Safety Code.

4 (2) All dwelling units where submeters are used to charge a  
5 tenant separately for water service.

6 (b) Nothing in this chapter shall be construed as follows:

7 (1) To apply to any dwelling units other than those described  
8 in subdivision (a).

9 (2) To enlarge or diminish the rights or obligations with respect  
10 to charges or allocation methods to determine water service costs  
11 to tenants in a building without submeters installed and in use.

12 1954.217. A submetering system that measures only a portion  
13 of a dwelling unit's water usage, including, but not limited to, a  
14 system that measures only hot water usage, shall not be subject to  
15 this chapter, if the system is first put in service before January 1,  
16 2017.

17 1954.218. This chapter shall become operative on January 1,  
18 2017.

19 SEC. 2. Section 17922.14 is added to the Health and Safety  
20 Code, to read:

21 17922.14. (a) During the next regularly scheduled triennial  
22 code cycle that commences on or after January 1, 2015, or during  
23 a subsequent code adoption cycle, the department may develop  
24 and propose for adoption by the California Building Standards  
25 Commission, pursuant to Chapter 4 (commencing with Section  
26 18935) of Part 2.5, building standards requiring the installation  
27 of water submeters in multiunit residential buildings as prescribed  
28 in Sections 537 and 538 of the Water Code.

29 (b) The department shall determine whether and under what  
30 circumstances the installation of water submeters are infeasible  
31 and include in the building standards proposed in subdivision (a)  
32 the appropriate provision for exemption from this requirement.  
33 The department shall consider whether there are any issues specific  
34 to high-rise multifamily buildings that would require an exemption  
35 from the requirement for the installation of water submeters.

36 (c) Moneys in the Building Standards Administration Special  
37 Revolving Fund established pursuant to Section 18931.7 shall be  
38 available, upon appropriation by the Legislature, for the  
39 department's administrative costs associated with the development  
40 of building standards in accordance with this section.

1 SEC. 3. Section 517 is added to the Water Code, to read:

2 517. “Submeter” means a device that measures water  
3 consumption of an individual unit within a multiunit residential  
4 structure or mixed-use residential and commercial structure, and  
5 is read by the owner of the structure or the owner’s agent.

6 SEC. 4. Article 5 (commencing with Section 537) is added to  
7 Chapter 8 of Division 1 of the Water Code, to read:

8  
9 Article 5. Multiunit Structures

10  
11 537. (a) Structures in all of the following categories shall be  
12 exempt from this article:

13 (1) Low-income housing. For purposes of this paragraph,  
14 “low-income housing” means a residential building financed with  
15 low-income housing tax credits, tax-exempt mortgage revenue  
16 bonds, general obligation bonds, or local, state, or federal loans  
17 or grants, for which the rents of the occupants in lower income  
18 households, as defined in Section 50079.5 of the Health and Safety  
19 Code, do not exceed rents prescribed by deed restrictions or  
20 regulatory agreements pursuant to the terms of the financing or  
21 financial assistance, and for which not less than 25 percent of the  
22 dwelling units within the building are designated for occupancy  
23 by lower income households, as defined in Section 50079.5 of the  
24 Health and Safety Code.

25 (2) Student dormitories.

26 (3) Long-term health care facilities, as defined in Section 1418  
27 of the Health and Safety Code.

28 (4) Time-share property, as defined in subdivision (aa) of  
29 Section 11212 of the Business and Professions Code.

30 (5) Residential care facilities, as defined in Section 1569.2 of  
31 the Health and Safety Code.

32 (b) A submeter used to measure water supplied to an individual  
33 residential unit that is required pursuant to this chapter shall be  
34 of a type approved pursuant to Section 12500.5 of the Business  
35 and Professions Code and shall be installed and operated in  
36 compliance with regulations established pursuant to Section 12107  
37 of the Business and Professions Code.

38 538. (a) Each water purveyor that sells, leases, rents,  
39 furnishes, or delivers water service to a newly constructed multiunit  
40 residential structure or newly constructed mixed-use residential

1 *and commercial structure for which an application for a water*  
2 *connection, or more than one connection, is submitted after*  
3 *January 1, 2017, shall require a measurement of the quantity of*  
4 *water supplied to each individual dwelling unit as a condition of*  
5 *new water service. The measurement may be by individual water*  
6 *meters or submeters.*

7 *(b) (1) The owner of the structure shall ensure that each*  
8 *submeter installed complies with all laws and regulations*  
9 *governing the approval of submeter types or the installation,*  
10 *maintenance, reading, billing, and testing of submeters, including,*  
11 *but not limited to, the California Plumbing Code.*

12 *(2) This subdivision does not require a water purveyor to fund*  
13 *or assume responsibility for ensuring compliance with any law or*  
14 *regulation governing the approval of submeter types or the*  
15 *installation, maintenance, reading, billing, and testing of submeters*  
16 *and associated onsite plumbing.*

17 *(c) A water purveyor shall not impose an additional capacity*  
18 *or connection fee or charge for a submeter that is installed by the*  
19 *owner, or his or her agent.*

20 *(d) This section shall remain operative until the date on which*  
21 *the California Building Standards Commission includes standards*  
22 *in the California Building Standards Code that conform to this*  
23 *section.*

24 *538.5. (a) This article does not preclude or preempt an*  
25 *ordinance that regulates the approval of submeter types or the*  
26 *installation, maintenance, reading, billing, or testing of submeters*  
27 *and associated onsite plumbing if the ordinance was adopted prior*  
28 *to January 1, 2013.*

29 *(b) This article does not restrict the authority of a water*  
30 *purveyor, city, county, city and county, or other local agency to*  
31 *adopt and implement a program to promote water conservation*  
32 *that includes the installation of water meters and submeters, as*  
33 *required pursuant to subdivision (a) of Section 538 if the program*  
34 *is at least as stringent as the requirements of this article.*

35 *539. It is the intent of the Legislature that this article should*  
36 *not be construed to impose costs on any local government agency,*  
37 *except to the extent that the local government agency is a water*  
38 *purveyor.*

39 *539.5. This article shall become operative on January 1, 2017.*

1 ~~SECTION 1. Section 112895 of the Health and Safety Code is~~  
2 ~~amended to read:~~

3 ~~112895. (a) It is unlawful to manufacture, sell, offer for sale,~~  
4 ~~give away, or to possess imitation olive oil in California.~~

5 ~~(b) This section does not prohibit the blending of olive oil with~~  
6 ~~other edible oils, if the blend is not labeled as olive oil or imitation~~  
7 ~~olive oil, is clearly labeled as a blended vegetable oil, and if the~~  
8 ~~contents and proportions of the blend are prominently displayed~~  
9 ~~on the container's label, or if the oil is a flavored olive oil.~~

10 ~~(c) Any olive oil produced, processed, sold, offered for sale,~~  
11 ~~given away, or possessed in California, that indicates on its label~~  
12 ~~"California Olive Oil," or uses words of similar import that indicate~~  
13 ~~that California is the source of the oil, shall be made of oil derived~~  
14 ~~solely from olives grown in California.~~

15 ~~(d) Any olive oil produced, processed, sold, offered for sale,~~  
16 ~~given away, or possessed in California, that indicates on its label~~  
17 ~~that it is from an area that is one of the approved American~~  
18 ~~Viticultural Areas as set forth in Part 9 (commencing with Section~~  
19 ~~9.1) of Title 27 of the Code of Federal Regulations shall be made~~  
20 ~~of oil at least 85 percent of which is derived solely from olives~~  
21 ~~grown in that approved American Viticultural Area.~~

22 ~~(e) Olive-pomace oil shall not be labeled as olive oil.~~

23 ~~SEC. 2. No reimbursement is required by this act pursuant to~~  
24 ~~Section 6 of Article XIII B of the California Constitution because~~  
25 ~~the only costs that may be incurred by a local agency or school~~  
26 ~~district will be incurred because this act creates a new crime or~~  
27 ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
28 ~~for a crime or infraction, within the meaning of Section 17556 of~~  
29 ~~the Government Code, or changes the definition of a crime within~~  
30 ~~the meaning of Section 6 of Article XIII B of the California~~  
31 ~~Constitution.~~